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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/633,515	08/05/2003	Michael Satow	07444.0012-00	5412
7590	11/15/2004		EXAMINER	
Kamran Khan 31st Floor 135th East 57th Street New York, NY 10022			SHAH, ANKEETA	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 11/15/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/633,515	SATOW ET AL. <i>UW</i>	
	<b>Examiner</b>	<b>Art Unit</b>	
	Ankeeta Shah	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

1) Responsive to communication(s) filed on \_\_\_\_\_.  
 2a) This action is **FINAL**.                    2b) This action is non-final.  
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

4) Claim(s) 1-7, 12-18, 23 and 25 is/are pending in the application.  
 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.  
 5) Claim(s) \_\_\_\_\_ is/are allowed.  
 6) Claim(s) 1-7, 12-18, 23 and 25 is/are rejected.  
 7) Claim(s) \_\_\_\_\_ is/are objected to.  
 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

9) The specification is objected to by the Examiner.  
 10) The drawing(s) filed on 21 August 1998 is/are: a) accepted or b) objected to by the Examiner.  
     Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
     Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).  
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
 a) All    b) Some \* c) None of:  
 1. Certified copies of the priority documents have been received.  
 2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
	6) <input type="checkbox"/> Other: _____

## DETAILED ACTION

### ***Oath/Declaration***

1. The oath is defective: Non-initialed and/or non-dated alterations have been made to the oath or declaration. See 37 CFR 1.52(c).

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1,4-6, 12,15-17,23 and 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sibley Jr. (Hereafter Sibley, US PAT 4,677,552) in view of Martyn (US PAT 6,195,647).

Sibley discloses:

**Re Claim1:** A method for protecting against manipulation in a data processing system (see Fig 4) for trading stocks (see column 3, lines 1-5), the method comprising: receiving a first trade order (i.e. a plurality of user terminals, see column 3, lines 6-12) to be executed in real-time (see column 7, lines 16-27) outside of exchange trading hours (i.e. via satellite system see column 4, lines 64-67, which can be accessed at any time) from a first user; receiving a second trade order to be executed in real-time outside of exchange trading hours from a second user; assigning (i.e. via central exchange host, see column 3, lines 42-

Art Unit: 3628

60) a first identifier to the first trade order (see column 3, lines 4-12), the first identifier uniquely identifying the first user; assigning a second identifier to the second trade order(i.e. plurality of users through local exchanges), the identifier uniquely identifying the second user; and comparing the first and second identifiers to control the trading of stocks (i.e. via central exchange host, see column 3, lines 42- 60).

Sibley discloses the claimed invention as stated supra except that user being institutional instead of non-institutional. Martyn shows that non-institutional user is an equivalent entity known in the prior art (see column 3, lines 45-47). Therefore, because these two entities were art-recognized equivalents at the time the invention was made, one of ordinary skill in the art would have found it obvious to substitute non-institutional instead of institutional.

Further Sibley does not teach comparing the first and second identifiers to control trading of stocks. However, it is noted that Sibley completes the establishment of each trade transaction through transmission of transaction confirmation by central exchange host (see column7, lines 21-29).

Therefore it would be obvious to one of ordinary skill in the art at the time of the invention was made to have first and second identifiers to control trading of stocks to prevent manipulation.

Art Unit: 3628

**Re Claim 4:** The method, wherein the identifier is the social security number of the user. Sibley discloses a password to identify each user (see column 6, line 19), he does not explicitly disclose that the identifier is a social security number. However this difference is only found in nonfunctional descriptive material and is not functionally involved in the steps recited. The identification would be performed the same regardless of the types of codes. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703F.2d 1381, 1385, 217 USPQ 401,404 (Fed. Cir.1983); *In re Lowery*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have identified the users with any type of identifier numbers in the method taught by Sibley because such data does not functionally and patentably distinguish the claimed invention.

**Re Claim 5:** The method wherein the identifier is derived from the social security number of the user. Sibley discloses a password to identify each user (see column 6, line 19), he does not explicitly disclose that the identifier is a social security number. However this difference is only found in nonfunctional descriptive material and is not functionally involved in the steps recited. The identification would be performed the same regardless of the types of codes. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703F.2d 1381, 1385, 217

USPQ 401,404 (Fed. Cir.1983); In re Lowery, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have identified the users with any type of identifier numbers in the method taught by Sibley because such data does not functionally and patentably distinguish the claimed invention.

**Re Claim 6:** The method of claim 1, wherein the identifier is a combination of a code derived from the user's broker-dealer account number and code that identifies the user's broker-dealer. Sibley discloses a password to identify each user (see column 6, line 19), he does not explicitly disclose a combination of a code derived from the user's broker-dealer account number and code that identifies the user's broker-dealer. However this difference is only found in nonfunctional descriptive material and is not functionally involved in the steps recited. The identification would be performed the same regardless of the types of codes. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see In re Gulack, 703F.2d 1381, 1385, 217 USPQ 401,404 (Fed. Cir.1983); In re Lowery, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have identified the users with any type of identifier numbers and/or codes in the method taught by Sibley because such data does not functionally and patentably distinguish the claimed invention.

**Re claim 12:** A computer-readable medium containing instructions for controlling a data processing system (see Fig 4) to perform a method for protecting against manipulation in a data processing system for trading stocks, the method comprising: receiving a first trade order (i.e. a plurality of user terminals, see column 3, lines 6-12) to be executed in real-time (see column 7, lines 16-27) outside of exchange trading hours (i.e. via satellite system see column 4, lines 64-67, which can be accessed at any time) from a first user; receiving a second trade order to be executed in real-time outside of exchange trading hours from a second user; assigning (i.e. via central exchange host, see column 3, lines 42- 60) a first identifier to the first trade order (see column 3, lines 4-12), the first identifier uniquely identifying the first user; assigning a second identifier to the second trade order(i.e. plurality of users through local exchanges), the identifier uniquely identifying the second user; and comparing the first and second identifiers to control the trading of stocks (i.e. via central exchange host, see column 3, lines 42- 60).

Sibley discloses the claimed invention as stated supra except that user being institutional instead of non-institutional. Martyn shows that non-institutional user is an equivalent entity known in the prior art (see column 3, lines 45-47). Therefore, because these two entities were art-recognized equivalents at the time the invention was made, one of ordinary skill in the art would have found it obvious to substitute non-institutional instead of institutional.

Further Sibley does not teach comparing the first and second identifiers to control trading of stocks. However, it is noted that Sibley completes the establishment of each trade transaction through transmission of transaction confirmation by central exchange host (see column7, lines 21-29).

Therefore it would be obvious to one of ordinary skill in the art at the time of the invention was made to have first and second identifiers to control trading of stocks to prevent manipulation.

**Re claim 15:** The computer-readable medium wherein the identifier is the social security number of the user. Sibley discloses a password to identify each user (see column 6, line 19), he does not explicitly disclose that the identifier is a social security number. However this difference is only found in nonfunctional descriptive material and is not functionally involved in the steps recited. The identification would be performed the same regardless of the types of codes.

Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703F.2d 1381, 1385, 217 USPQ 401,404 (Fed. Cir.1983); *In re Lowery*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have identified the users with any type of identifier numbers in the method taught by Sibley because such data does not functionally and patentably distinguish the claimed invention.

**Re claim 16:** The computer-readable medium wherein the identifier is derived from the social security number of the user. . Sibley discloses a password to identify each user (see column 6, line 19); he does not explicitly disclose that the identifier is a social security number. However this difference is only found in nonfunctional descriptive material and is not functionally involved in the steps recited. The identification would be performed the same regardless of the types of codes. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see In re Gulack, 703F.2d 1381, 1385, 217 USPQ 401,404 (Fed. Cir.1983); In re Lowery, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have identified the users with any type of identifier numbers in the method and system taught by Sibley because such data does not functionally and patentably distinguish the claimed invention.

**Re claim 17:** The computer-readable medium wherein the identifier is a combination of a code derived from the user's broker-dealer account number and code that identifies the user's broker-dealer. Sibley discloses a password to identify each user (see column 6, line 19), he does not explicitly disclose a combination of a code derived from the user's broker-dealer account number and code that identifies the user's broker-dealer. However this difference is only

Art Unit: 3628

found in nonfunctional descriptive material and is not functionally involved in the steps recited. The identification would be performed the same regardless of the types of codes. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703F.2d 1381, 1385, 217 USPQ 401,404 (Fed. Cir.1983); *In re Lowery*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have identified the users with any type of identifier numbers and/or codes in the method and system taught by Sibley because such data does not functionally and patentably distinguish the claimed invention.

**Re Claim 23:** An anti-manipulation system for a real-time (see column 7, lines 16-27) computerized stock trading system, comprising: a receiving component configured to receive a first (see column 3, lines 6-12) and a second trade order outside of exchange trading hours from first and second users; a matching engine configured to match the received first and second trade orders and execute trades between matching trade orders in real-time between the users that placed the trade orders; and an anti-manipulation component receiving the first and a second trade order and applying a unique identifier to each trade order, the unique identifiers uniquely identifying the user placing the trade order,

the anti-manipulation component comparing the unique identifiers of the first and second trade orders to determine market manipulation of the trading system when the two trade orders are determined to be matching trade orders.

Sibley discloses the claimed invention as stated supra except that user being institutional instead of non-institutional. Martyn shows that non-institutional user is an equivalent entity known in the prior art (see column 3, lines 45-47). Therefore, because these two entities were art-recognized equivalents at the time the invention was made, one of ordinary skill in the art would have found it obvious to substitute non-institutional instead of institutional.

Further Sibley does not teach comparing the first and second identifiers to control trading of stocks. However, it is noted that Sibley completes the establishment of each trade transaction through transmission of transaction confirmation by central exchange host (see column7, lines 21-29).

Therefore it would be obvious to one of ordinary skill in the art at the time of the invention was made to have first and second identifiers to control trading of stocks to prevent manipulation.

**Re claim 25:** An anti-manipulation system for protecting against market manipulation in a data processing system for trading stocks, comprising: means for receiving a first trade order to be executed in real-time (see column 7, lines

Art Unit: 3628

16-27) outside of exchange trading hours from a first user; means for receiving a second trade order to be executed in real-time outside of exchange trading hours from a second user; means for assigning a first identifier to the first trade order, the first identifier uniquely identifying the first user; means for assigning a second identifier to the second trade order, the identifier uniquely identifying the second user; and means for comparing the first and second identifiers to control the trading of stocks.

Sibley discloses the claimed invention as stated supra except that user being institutional instead of non-institutional. Martyn shows that non-institutional user is an equivalent entity known in the prior art (see column 3, lines 45-47). Therefore, because these two entities were art-recognized equivalents at the time the invention was made, one of ordinary skill in the art would have found it obvious to substitute non-institutional instead of institutional.

Further Sibley does not teach comparing the first and second identifiers to control trading of stocks. However, it is noted that Sibley completes the establishment of each trade transaction through transmission of transaction confirmation by central exchange host (see column7, lines 21-29).

Therefore it would be obvious to one of ordinary skill in the art at the time of the invention was made to have first and second identifiers to control trading of stocks to prevent manipulation.

4. Claims 7 and 18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sibley, Jr.

**Re claim7:** A method for protecting against manipulation in a data processing system (see Fig 4) for trading stocks (see column 3, lines 1-5), the method comprising: receiving a first trade order from a first user (i.e. a plurality of user terminals, see column 3, lines 6-12); receiving a second trade order from a second user (i.e. a plurality of user terminals, see column 3, lines 6-12); assigning (i.e. via central exchange host, see column 3, lines 42- 60) a first identifier to the first trade order(see column 3, lines 4-7), the first identifier uniquely identifying the first user; assigning a second identifier to the second trade order(i.e. plurality of users through local exchanges, see column 3, lines 10-12), the identifier uniquely identifying the second user; and comparing the first and second identifiers to control the trading of stocks (i.e. via central exchange host, see column 3, lines 42- 60).

Sibley does not teach comparing the first and second identifiers to control trading of stocks. However, it is noted that Sibley completes the establishment of each trade transaction through transmission of transaction confirmation by central exchange host (see column7, lines 21-29).

Therefore it would be obvious to one of ordinary skill in the art at the time of the invention was made to have first and second identifiers to control trading of

stocks to prevent manipulation and safely allows users in one exchange to trade with users who are members of other exchanges around the world.

**Re claim 18:** A computer-readable medium containing instructions for controlling a data processing system (see Fig 4) to perform a method for protecting against manipulation in a data processing system for trading stocks, the method comprising: receiving a first trade order from a first user (i.e. a plurality of user terminals, see column 3, lines 6-12); receiving a second trade order from a second user (i.e. a plurality of user terminals, see column 3, lines 6-12); assigning(i.e. via central exchange host, see column 3, lines 42- 60) a first identifier to the first trade order(see column 3, lines 4-7), the first identifier uniquely identifying the first user; assigning a second identifier to the second trade order(i.e. plurality of users through local exchanges, see column 3, lines 10-12), the identifier uniquely identifying the second user; and comparing the first and second identifiers to control the trading of stocks (i.e. via central exchange host, see column 3, lines 42- 60).

Sibley does not disclose that the users from the remote terminals are non-institutional users. However, the specific of the user does not patentably distinguish the claimed method steps.

Therefor it would be obvious to one of ordinary skill in the art at the time of the invention was made to have any type of users in method taught by Sibley

because the subjective interpretation of the users does not patentably distinguish the claimed invention.

Further Sibley does not teach comparing the first and second identifiers to control trading of stocks. However, it is noted that Sibley completes the establishment of each trade transaction through transmission of transaction confirmation by central exchange host (see column7, lines 21-29).

Therefore it would be obvious to one of ordinary skill in the art at the time of the invention was made to have first and second identifiers to control trading of stocks to prevent manipulation and safely allows users in one exchange to trade with users who are members of other exchanges around the world.

5. Claims 2,3,13 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sibley in view of Martyn as applied to claims 1 and 12 above, further in view of Wagner (US PAT 4,903,201).

**Re Claim 2:** Neither Sibley nor Martyn discloses: The method further including: rejecting the trade if the first identifier is the same as the second identifier.

Wager discloses the concept of having a compliance system (see column 7, lines 47-52 and Fig1) that receives data (i.e. trade data) from a central computer of trading system (see column 7, lines 47-52 and Fig1) and check that data to see if it meets predetermined limits. Wager further discloses a comparator (see column 11, lines 50-55) that looks at memory (see column 11, line 50) to compare signal

codes received with a stored trader (i.e. user) and contract file code. Wager further discloses identifying trade order (see column 11, lines 59-61) which determines whether the transaction is a new order.

Thus it would be obvious to one of ordinary skill in the art at the time the invention was made to modify the matching system of Sibley and Martyn to include the compliance and trade identifying unit taught by Wager in order to detect illegal trade practices or trade patterns which would adversely affect commodity market.

**Re Claim 3:** Neither Sibley nor Martyn discloses: The method further including: identifying the trade if the first identifier is the same as the second identifier. Wager discloses the concept of having a compliance system (see column 7, lines 47-52 and Fig1) that receives data (i.e. trade data) from a central computer of trading system (see column 7, lines 47-52 and Fig1) and check that data to see if it meets predetermined limits. Wager further discloses a comparator (see column 11, lines 50-55) that looks at memory (see column 11, line 50) to compare signal codes received with a stored trader (i.e. user) and contract file code. Wager further discloses identifying trade order (see column 11, lines 59-61), which determines whether the transaction is a new order.

Thus it would be obvious to one of ordinary skill in the art at the time the invention was made to modify the matching system of Sibley and Martyn to include the compliance and trade identifying unit taught by Wager in order to

detect illegal trade practices or trade patterns which would adversely affect commodity market.

**Re claim 13:** Neither Sibley nor Martyn discloses: The computer-readable medium (see Fig 4) further including: rejecting the trade if the first identifier is the same as the second identifier.

Wager discloses the concept of having a compliance system (see column 7, lines 47-52 and Fig1) that receives data (i.e. trade data) from a central computer of trading system (see column 7, lines 47-52 and Fig1) and check that data to see if it meets predetermined limits. Wager further discloses a comparator (see column 11, lines 50-55) that looks at memory (see column 11, line 50) to compare signal codes received with a stored trader (i.e. user) and contract file code. Wager further discloses identifying trade order (see column 11, lines 59-61), which determines whether the transaction is a new order.

Thus it would be obvious to one of ordinary skill in the art at the time the invention was made to modify the matching system of Sibley and Martyn to include the compliance and trade identifying unit taught by Wager in order to detect illegal trade practices or trade patterns which would adversely affect commodity market.

**Re claim 14:** Neither Sibley nor Martyn discloses: The computer-readable medium (see Fig 4), further including: identifying the trade if the first identifier is the same as the second identifier.

Wager discloses the concept of having a compliance system (see column 7, lines 47-52 and Fig1) that receives data (i.e. trade data) from a central computer of trading system (see column 7, lines 47-52 and Fig1) and check that data to see if it meets predetermined limits. Wager further discloses a comparator (see column 11, lines 50-55) that looks at memory (see column 11, line 50) to compare signal codes received with a stored trader (i.e. user) and contract file code. Wager further discloses identifying trade order (see column 11, lines 59-61), which determines whether the transaction is a new order.

Thus it would be obvious to one of ordinary skill in the art at the time the invention was made to modify the matching system of Sibley and Martyn to include the compliance and trade identifying unit taught by Wager in order to detect illegal trade practices or trade patterns which would adversely affect commodity market.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ankeeta Shah whose telephone number is (703) 305-0853. The examiner can normally be reached on M-F 8:30AM - 5:00PM.

Art Unit: 3628

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, HYUNG SOUGH can be reached on (703) 308-0505. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



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